

South Africa's "Right Track" Land Reform?

RECAP's efforts to resuscitate land reform projects in distress

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Abstract:

Although South Africa's land reform programme has achieved some progress in terms of improving access to land and contributing to improved livelihood for beneficiaries, its sustainability has been questioned, both within and outside government circles. In particular, some of the transferred farms have not reached the desired levels of productivity while others are not operational at all (Kirsten and Machethe, 2005; Anseeuw, 2012). It was partly as a result of the above that the Recapitalisation and Development Programme (RADP) was introduced in 2010, promoting recapitalisation of land reform farms and links with strategic partners. On request of the Department of Performance, Monitoring and Evaluation (DPME), a mid-term evaluation was undertaken to assess the programme's implementation progress and intermediary results. This paper aims at presenting the results of this evaluation exercise. Based on extensive fieldwork and the implementation of a participatory M&E in 6 provinces, the results show that progress has been made regarding land reform, particularly from a socio-economic point of view. Production is increasing, market access has improved and social determinants such as social well-being and food security are on the rise. However, the strategic partnership model implemented questions effective empowerment of emerging farmers.

Although South Africa's land reform programme has achieved some progress in terms of improving access to land and contributing to improved livelihood for beneficiaries, its sustainability has been questioned, both within and outside government circles. In particular, some of the transferred farms have not reached the desired levels of productivity while others are not operational at all (Kirsten and Machethe, 2005; Anseeuw, 2012).

According to CDE (2008) and Anseeuw et Mathebula (2008), there are five types of recurring problems, mainly related to pre- and post-settlement support as well as to structural aspects of South Africa's land reform programme: 1) the non-feasibility and the non-viability of land reform projects (too many beneficiaries on farms that are too small, remote and lacking basic rural and agricultural infrastructure); 2) ill-adapted institutional structures (non-recognition of legal entities – grouping together numerous beneficiaries – and land tenure); 3) nonexistent collective action and institutional isolation (many beneficiaries find themselves isolated with no

(public) support whatsoever after the land transfer operation); 4) insufficient and ill-adapted support measures (which are still tailored for and based on a “(white) large-scale commercial agriculture” model); 5) a cumbersome and inefficient administration that lacks transparency (in some areas, beneficiaries can wait up to eight years to get their title deed and then effectively access and start investing on their land).

It was partly as a result of the above that the Recapitalisation and Development Programme (RADP) was introduced in 2010. The programme was designed to focus on struggling land reform farms acquired since 1994 that have received little or no (post-settlement) support, but have potential to become successful, if assisted. As such, it has five objectives: (a) to increase agricultural production; (b) to guarantee food security; (c) to graduate small farmers into commercial farmers; (d) to create employment opportunities in the agricultural sector; and (e) to establish rural development monitors. In order to do so, distressed farms are supposed to receive both technical and financial support from government (Department of Rural Development and Land Reform, 2012a), while they are requested, in order to ensure sustainability of assisted projects/farms, to enter into a partnership with a strategic partner and mentor. The RADP would reach these objectives through a two-fold programme: on one hand, it would recapitalise ‘distressed’ land reform farms; on the other hand, recapitalised farms would benefit from development measures, such as human capacity development and skills transfer mainly related to a mentorship model (box 1).

Box 1: the Recapitalisation and Development Programme (Department of Rural Development and Land Reform, 2012a)

The RADP programme consists of two major axes: Recapitalization and development.

1) Recapitalisation

The recapitalisation aspect focuses on the funding of the business elements of the project, how to nurture the enterprise to become profitable and sustainable based on a business plan. Essentially, it involves restructuring the farm’s debt and equity mixture, most often with the aim of making the farm’s capital structure more stable. It is based on a 5 phase funding model:

- a) Phase 1: 100% funding for infrastructure and operational costs;
- b) Phase 2: 80% funding for development needs;
- c) Phase 3: 60% funding for development needs;
- d) Phase 4: 40% funding for development needs; and
- e) Phase 5: 20% funding for development needs.

The funding shortfall from Phase 2 onward is to be derived from proceeds of the relevant preceding phase. It is envisaged that for the first five years and more (for longer term investments) the DRDLR would play an instrumental role in overseeing the management of the projects. In some instances the DRDLR may serve on the board of managing directors. In relation to the above model it means that by year 6, the business would not require any funding from the Department and has become self-sustaining.

2) Development

The development function focuses on the human development and actual physical development of the farming enterprise. This includes appointment of mentors or strategic partners, as well as other on-farm capacity building initiatives. Other government Departments, including Department of Agriculture, Forestry and Fisheries (DAFF) has a central role to play as development partners.

** Mentorship*

The mentorship programme aims to equip the mentee with training, marketing, finance, networking and other farm related skills, to ensure that the mentee can start producing, enter markets and create successful farms and enterprises. Mentorship would become a central element of the programme given the skills gap of land reform beneficiaries. Not all projects would require a mentor.

Mentors (accredited by the PRADAC and approved by the NARADAC) are appointed and expected to equip land reform beneficiaries, with the necessary skills to run successful enterprises. Different mentors would be assigned to different projects in accordance with their skills and knowledge over an agreed period. The costs of mentorship are expected to be covered by the enterprise once it has started generating a profit. As such, the RADP would only fund the expenses of a mentor for 12 months or until the end of the first production cycle if the latter is longer than 12 months.

** Strategic Partnerships*

Strategic partners (SP) can be companies or individuals which, in addition to mentor the land reform beneficiaries, are investing in the land reform project. As such, the most important element of a strategic partnership is risk sharing, which implies capital investment in the project that does not encumber the land (therefore restricted to production loans where necessary), sharing or user agreements in relation to assets of both partners (beneficiary and strategic partner) and general accountability in terms of the business operations.

Strategic partnerships can include: besides mentorship (see above), contract farming, co-management and share equity schemes. The remuneration of SPs will be dependent on the type of contract they enter into with the Department and farmers. This may include a profit-sharing arrangement or a specific fee for services rendered.

In many cases both Recapitalization and Development will be required to achieve the objectives of projects' business plans.

Since its implementation in 2010, 1807 distressed farms have been targeted, of which about 640 have been implemented, for recapitalisation and development (Department of Rural Development and Land Reform, 2012a). Out of the 640 farms (530 934 ha) placed under the RADP: 264 are attached to strategic partners, 117 to mentors, most of the remaining 259 farms are being considered for direct sourcing as there are no interested/adapted mentors/strategic partners yet. About 38 strategic partners and 50 mentors have been appointed thus far (Department of Rural Development and Land Reform, 2012a).

On request of the Department of Performance, Monitoring and Evaluation (DPME), a mid-term evaluation was undertaken to assess the programme's implementation progress and intermediary results. This paper aims at presenting the results of this evaluation exercise. A first section will present the Monitoring and Evaluation (M&E) exercise by detailing the questions raised and the methodology implemented. The second section will present the results of the M&E by putting to the fore the progress made as well as analysing its issues and obstacles, discussing the latter in light of the evaluation questions raised. While discussing the strengths and weaknesses of the RADP programme, the concluding section will reflect on whether South Africa has engaged a right track regarding its land reform programme.

RADP's evaluation design and methodology – The implementation of participatory and applied M&E

The RADP is to be implemented over a five-year period from 2010 to 2014. This means that the programme is now more than half way into the five-year period. Hence, a mid-term review of the programme was commissioned. In particular, the evaluation was to focus on addressing the following mid-term evaluation questions:

- (i) Are the two interventions (strategic partnerships and mentorship) effective in developing the projects?
- (ii) Does the RADP effectively develop the intended beneficiaries to participate in commercial production?
- (iii) Is the RADP reaching its targeted beneficiaries?
- (iv) Was the RADP designed appropriately for the achievement of its objectives?
- (v) Are the resources used efficiently? Is value for money being obtained?
- (vi) What are the strengths and weaknesses of the RADP in achieving its objectives in relation to the technical competencies of the various stakeholders?
- (vii) How can the RADP be strengthened?
- (viii) Is the RADP project cycle aligned to the farming operations?
- (ix) Are the intended objectives of the RADP being achieved or likely to be achieved?
- (x) Is there a common understanding of the RADP among all stakeholders?

To address the above questions, the evaluation was based on a partnership approach to evaluation, in which - being participatory and applied in nature - stakeholders actively engage in developing the evaluation (Institute of Development Studies, 1998). Those who have the most at stake in the programme — partners, programme beneficiaries, funders and key decision makers — play active roles. Participation occurred throughout the evaluation process, including identifying relevant questions, planning the evaluation design, selecting appropriate measures and data collection methods, and discussing findings, conclusions and recommendations. As such, the implemented participatory and applied evaluation in the framework of this RADP evaluation was about sharing knowledge with relevant stakeholders, building (evaluation) skills of programme implementers, as well as considering the perspectives, voices, preferences and decisions of a wide range of stakeholders engaged in the RADP programme. Through this process, participants could influence the evaluation's focus and set certain criteria and thresholds, within their own socio-economic (for the beneficiaries) and institutional (for the programme implementers) environments. Concretely, it allowed for (1) the identification of locally relevant evaluation questions; (2) assessment programme performance at all levels as it is reflective and action-oriented; (3) empowerment of participants and capacity building

(stakeholders were included in the different phases of design and implementation), development of commitment through collaborative inquiry. The process resulted in an evaluation that was transdisciplinary (not only focused on economic and financial aspects of land reform/RADP, but also included aspects such as social status, food security, economic well-being, etc.) as well as increased political intent in accountability, performance, and indicators and transparency.

The evaluation was to be country-wide, implying the necessity of a representative sampling. Stratified sampling and purposive sampling were used to select the projects and respondents, ensuring that projects from each sub-group are included in the final sample. The following criteria were used to select the projects:

- (i) Geographic distribution to ensure that regional climatic variations are taken into consideration and both urban and rural areas are included.
- (ii) Type of enterprise to ensure that both livestock and crop projects are included.
- (iii) Size of project to ensure that small and large projects are included in the sample.
- (iv) Stage of project to ensure that projects in all stages (planning, implementation and production) are included.
- (v) Project performance to include both successful and failed projects.
- (vi) Strategic initiative to include projects with and without a strategic partner/mentor.
- (vii) Number of RADP projects per province to ensure that provinces with large and reasonably small number of projects are included.
- (viii) Type of land reform program (SLAG, LRAD, SLAG, PLAS, Commonage, and Restitution).
- (ix) Type of strategic partner/mentor to include the various types of strategic partners/mentors.

Based on the above sampling methodology and criteria, the following provinces were selected for fieldwork: Eastern Cape, Gauteng, Free State, KwaZulu-Natal, Limpopo and North West. A total of 100 from the 640 projects that were identified as recapitalised by DRDLR were included in the initial sample (Table 1). However, due to several inconsistencies (mainly related to official figures not corresponding to the concrete activities on the ground, particularly in KwaZulu-Natal and Free State), led to some adjustments to the number of projects initially selected and resulted in the sample being reduced to 98 projects (Table 1).

Table 1: Projects selected and visited by province

| Province | RADP farms per province | Number of projects selected initially | Number of projects visited |
|---------------|-------------------------|---------------------------------------|----------------------------|
| Gauteng | 51 | 10 | 10 |
| Eastern Cape | 71 | 9 | 9 |
| Limpopo | 72 | 13 | 13 |
| Free State | 70 | 25 | 22 |
| KwaZulu-Natal | 118 | 23 | 24 |
| North West | 79 | 20 | 20 |
| Total | 461 | 100 | 98 |

For each project selected, the various categories of stakeholders were interviewed/assessed, through the implementation of a different data collection instrument. A total of 176 interviews were conducted:

- a) **Project/farm management** (98 interviewed): A structured questionnaire was administered to the management (beneficiaries) of the farms/projects.
- b) **Focus Groups (beneficiaries other than project managers – 11 realized)**: A checklist was used in cases where, in addition to the project manager, there were other beneficiaries.
- c) **Strategic partners and mentors** (26 interviewed): Interviews with strategic partners and mentors were conducted using a checklist.
- d) **Project officers** (26 interviewed): DRDLR officials responsible for RADP project facilitation and coordination with strategic partners and mentors were interviewed using a checklist.
- e) **Provincial leadership (provincial government officials – 14 interviewed)**: A checklist was used for interviews with DRDLR provincial managers (Directors and Deputy Directors) responsible for land reform and RADP.
- f) **National leadership (national government officials – 1 interview)**: A DRDLR official (Director) at the national level responsible for RADP was interviewed using a checklist.

Data processing was implemented according to two modalities. Firstly, in-depth project questionnaires were analysed through descriptive quantitative analyses, using Excel (and SPSS where necessary). Secondly, data gathered from the other interview instruments (key informant interviews, focus groups) were analysed qualitatively. This was done manually, without any statistical tool.

Results – RADP’s relative positive results, leaving room for improvement

- ***RADP - Promoting a commercial farm model***

The RADP programme focuses on projects representing viable economic entities (based on business plans, developed with the help of the strategic partners/mentors and approved by RADP agents at DRDLR national office) with few beneficiaries, with activities mainly oriented for market production. As such RADP is a continuation of the farming model supported since the LRAD and subsequent PLAS programmes. This also explains why the large majority of farms benefiting from the RADP programme are PLAS farms (out of the 98 projects assessed in the framework of this project 45 (46%) are PLAS, 38 redistribution LRAD, 7 redistribution SLAG/equity-share, 7 private transaction/other).

As such, the average size of the farms selected for RADP is 672 ha, with the smallest ones (either horticultural or poultry ones) in Gauteng (Table 2). The total number of beneficiaries directly benefiting from the land reform projects benefiting from RADP is relatively low. In total, based on the 98 projects evaluated, 670 people are benefiting from it. This is less than 7 direct beneficiaries per project. (these figures do not take into consideration the dependents of these beneficiaries). Out of these 670 beneficiaries, 42% are full-time and 58% are part-time; with 71% of the projects having at least one full-time beneficiary.

Table 2: Size of farms benefitting from RADP (in ha)

| | Eastern Cape | Free State | Gauteng | KZN | Limpopo | North West | Total général |
|--------------|--------------|------------|---------|--------|---------|------------|---------------|
| Average | 1742,3 | 901,8 | 200,4 | 394,2 | 249,2 | 823,9 | 672,2 |
| Max | 12215,0 | 2310,0 | 623,0 | 2296,0 | 937,0 | 3900,0 | 12215,0 |
| Min | 24,0 | 19,0 | 2,7 | 40,0 | 5,1 | 12,4 | 2,7 |
| St deviation | 4247,7 | 621,0 | 230,7 | 514,4 | 303,0 | 1107,4 | 1390,8 |

- *Increased production and positive social impacts*

The effectiveness of RADP in developing beneficiaries to participate in commercial production can be assessed in terms of the number of beneficiaries/farms ready to participate or already participating in commercial production. In all six provinces, there was general consensus among government officials that, although RADP had not yet produced commercial farmers, many of the beneficiaries were on their way to becoming commercial farmers. The view that RADP has produced commercial farmers was held by some strategic partners/mentors, mainly in the Free State (livestock projects) and KwaZulu-Natal (sugar cane sector).

A positive aspect of RADP is that farming operations are on-going on 69 of the 98 projects included in the review. This alone is a great achievement considering the relatively large number of land reform projects that were found to be non-operational in previous evaluations of land reform projects in the country (Kirsten and Machethe, 2005; Anseeuw and Mathebula, 2008). Furthermore, both crop and livestock production has increased after RADP was implemented on the farms.

As such, although 29 out of the 98 projects (29.6%) still have a turnover of zero, the turnover on the RADP farms covered in the study is, on average, R1.45 million when all RADP beneficiaries are considered (Table 3 and Figure 1). The average turnover increases to R2.05 million per project when only producing farms are considered. Gauteng farms have the lowest turnover of R188,120 per project overall or R268,743 when producing farms are considered. North West has the highest turnover of R2.40 million per project or R3.92 million for producing farms.

Table 3: Production in turnover on RADP farms (000 Rand)

| | Eastern Cape | Free State | Gauteng | KZN | Limpopo | North-West | Total |
|---------------------------|--------------|------------|---------|--------|---------|------------|---------|
| Average total | 531 | 1 192 | 188 | 1 380 | 2 409 | 2 221 | 1 446 |
| Average producing farmers | 796 | 2 184 | 268 | 1 840 | 3 915 | 2 468 | 2 054 |
| Standard deviation | 1 189 | 3 639 | 310 | 1 619 | 8 363 | 6 732 | 4 653 |
| Minimum | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Maximum | 3 615 | 17 100 | 918 | 5 180 | 30 240 | 28 788 | 30 240 |
| Sum | 4 778 | 26 213 | 1 881 | 33 113 | 31 324 | 44 436 | 141 745 |

Overall, agricultural production has increased on the RADP farms covered in the study, compared to the production levels when the farms were acquired (Table 4). For livestock, the increase in herd size has continued after acquisition of the farm; with RADP adding to the already increasing stock numbers (many of the beneficiaries already had livestock, mainly on communal land) (Table 4). Crop production, on the other hand, experienced a slow-down (a drop in some provinces, such as the Free State) soon after acquisition of the farms. This decreasing trend has been addressed through RADP, resulting in significant increases in production in later years (Figure 2).

Table 4: Evolution of production on RADP farms interviewed

| | At acquisition | Before RADP | After RADP | At present |
|----------------------------------|----------------|-------------|------------|------------|
| Total Livestock numbers* | 1 735 | 3 631 | 4 482 | 10 398 |
| Total Area under crop production | 1 958 ha | 1 938 ha | 3 050 ha | 8 641 ha |

* = Only large and small stock included

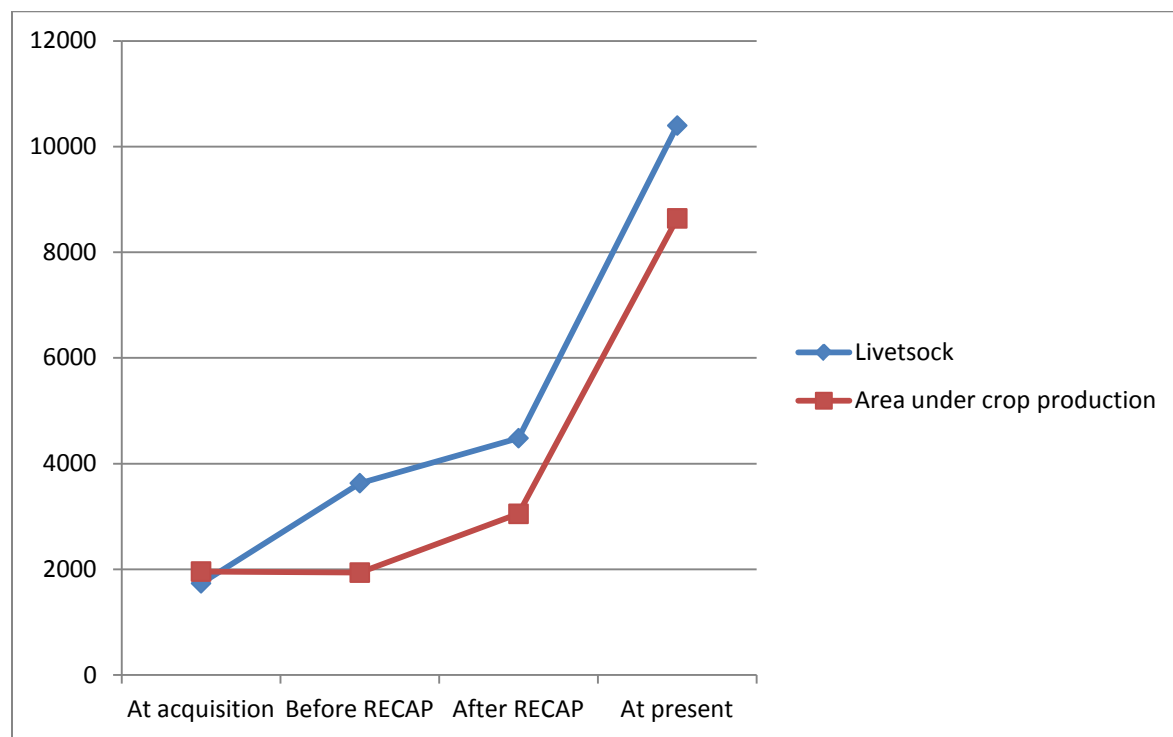


Figure 2: Evolution of production on the RADP farms

- *Positive social-economic impacts*

Overall, the evaluation shows that RADP has achieved some significant results (although for some categories and in specific provinces important improvements can/should be made) (Table 5).

Table 5: Impact assessment of RADP, according to different fields

| | Eastern Cape | Free State | Gauteng | KZN | Limpopo | North-West | Total |
|---|--------------|------------|---------|-------|---------|------------|-------|
| Since RADP, has market access been easier? | | | | | | | |
| N – Improved market access | 4 | 12 | 4 | 7 | 5 | 11 | 43 |
| % of respondents to question/effective beneficiaries of RADP | 42,86 | 42,86 | 0,00 | 70,83 | 58,33 | 15,38 | 46,91 |
| % of total interviewees | 33,33 | 40,91 | 0,00 | 70,83 | 53,85 | 10,00 | 38,78 |
| Since RADP, did your economic situation change? | | | | | | | |
| N – Improved economic situation | 6 | 11 | 2 | 18 | 9 | 10 | 56 |
| % of respondents to question/effective beneficiaries of RADP | 85,71 | 52,38 | 66,67 | 81,82 | 75,00 | 76,92 | 71,79 |
| % of total interviewees | 66,67 | 50,00 | 20,00 | 75,00 | 69,23 | 50,00 | 57,14 |
| Since RADP, did your social status change? | | | | | | | |
| N – Improved social status | 6 | 11 | 2 | 17 | 8 | 10 | 54 |
| % of respondents to question/effective beneficiaries of RADP | 85,71 | 55,00 | 66,67 | 77,27 | 66,67 | 76,92 | 70,13 |
| % of total interviewees | 66,67 | 50,00 | 20,00 | 70,83 | 61,54 | 50,00 | 55,10 |
| Number since the implementation of RADP, has your diet change? | | | | | | | |
| Yes | 6 | 9 | 2 | 11 | 8 | 10 | 46 |
| % of respondents to question/effective beneficiaries of RADP | 85,71 | 42,86 | 66,67 | 47,83 | 72,73 | 76,92 | 58,97 |
| % of total interviewees | 66,67 | 40,91 | 20,00 | 45,83 | 61,54 | 50,00 | 46,94 |

As such:

- *Market access:* 47% of the respondents effective benefitting from RADP funds (i.e. 39% of all respondents) confirmed that their access to markets had improved as a result of RADP. Although a significant improvement, together with the fact that most RADP stakeholders stated that RADP had not yet produced commercial farmers, indicates slow progress towards commercialisation of RADP farms.
- *Economic situation:* The proportion of all farmers interviewed indicating an improvement in their economic situation is 57%, representing 72% of all farmers benefiting effectively from RADP. This is the highest proportion of all percentages of farmers who indicated that they had benefited from RADP. Therefore, RADP's greatest impact seems to have been economic. However, RADP's economic impact seems to have been lower in Free State and Gauteng.

- *Social status*: RADP had a relatively large impact on the social status of farmers – about 55% of all farmers interviewed indicated that their social status improved due to RADP. Of all farmers who benefited from RADP, 70% of them indicated that they had benefited from RADP through its impact on their social status. This is not surprising because, through the significant amount of funds injected into the projects, farmers benefit materially (e.g. acquisition of bakkies, etc.).
- *Food security and diet*: About 47% of all farmers interviewed noted that RADP had impacted positively on their diet (mainly in the quantity, but also the quality and diversification of their diet). This represents about 59% of all farmers who indicated that RADP benefited them in one way or another. Important to note here is that it is not clear whether beneficiaries' food security has improved through food production or through increased food purchased related to the subsidies received.

- ***Questionable empowerment***

Although the results seem relatively positive, they have to be analyzed in a broader context of farmer empowerment.

As such, only 34% of all farmers interviewed indicated that they had benefited from RADP through skills transfer. This represents about 44% of all farmers who benefited from RADP. These figures are the lowest of all percentages of RADP farmers benefiting in various ways from RADP, suggesting that RADP has performed poorly in terms of skills transfer. This is particularly the case in Gauteng, KwaZulu-Natal and North West. In addition, of those who have benefitted from skills transfer and other support services in the framework of RADP or their interaction with the strategic partner/mentor, overall satisfaction is mediocre (Table 6).

Table 6: Beneficiaries' satisfaction level regarding mentor/strategic partners' role (in percentage)

| | Eastern Cape | Free State | Gauteng | KZN | Limpopo | North-West | Total |
|---------------------------------------|--------------|------------|---------|-------|---------|------------|--------------|
| Funding | 100 | 0 | 100 | 80 | 100 | - | 76,00 |
| Providing technical expertise | 100 | 30,77 | 100 | 42 | 50 | 75 | 66,24 |
| Farm management | 100 | 50 | 100 | 75 | 50 | 50 | 70,83 |
| Provide output markets | 100 | 66,67 | 100 | 75 | 100 | - | 88,33 |
| Providing input markets | - | 0 | 100 | 88 | - | - | 62,50 |
| Other skills (monitoring, ...) | 0 | 16,67 | - | 57 | - | 28,57 | 25,59 |
| Overall satisfaction | 80,00 | 27,35 | 100,00 | 69,00 | 75,00 | 51,19 | 67,15 |

*Empty boxes mean that that particular role was not present for this specific province – so no satisfaction rate was given.

Provincial or business model (mentor vs strategic partnership) differences in the level of satisfaction are evident, especially regarding technical and managerial skills transfer. Beneficiaries – particularly in the Free State with a high level of strategic partnership models -

seem to have the lowest level of satisfaction with regard to technical skills transfer and management training, scoring only 30% and 50%, respectively. These results reflect the dissatisfaction of beneficiaries with the dominant role played by mentors and strategic partners (i.e. total transfer of decision making and management to strategic partners/mentors). In many instances, the development of entrepreneurial skills is limited because farmers have very little decision making power and little control over production.

In these cases, in the framework of the RADP, effective empowerment – which is reflected in effective skills transfer as well as enabling, facilitating and capacitating decision the decision making (with regards the design of the project, the activities, the funds, ...) is questioned as, for the large part of the projects (36%), transferred to the strategic partner/mentor,. In these cases, as imposed by the DRDLR, benefiting from RADP funding goes along with the acceptance of a transfer of significant decision making power to mentors, questioning the core of the RADP core objectives related to empowerment (Lahiff, 2011). Pushing the reflection further, such decision-making power transfers questions the status of the farmers/beneficiaries, which become powerless elements within broader, sometimes corporate entities (particularly in the framework of strategic partnerships) (Anseeuw and Ducastel, 2012).

- ***A model that lacks broader development and employment implications***

Beyond very few beneficiaries (which is related to the RADP commercial farm development priority), RADP lacks broader development and employment orientations.

Indeed the farm activities implemented, frequently proposed and closely managed by the mentor and strategic partner/mentor, are not focusing on labour creation. Only in 57% of the projects that benefitted from RADP (43% of all interviewees), it led to labour creation (Table 7).

Table 7: Projects where RADP led to labour creation

| | Eastern Cape | Free State | Gauteng | KZN | Limpopo | North-West | Total |
|--|--------------|------------|---------|-------|---------|------------|-------|
| N – Improved employment | 6 | 7 | 2 | 14 | 5 | 8 | 42 |
| % of respondents to question/effective beneficiaries of RADP | 85,71 | 33,33 | 100,00 | 66,67 | 50,00 | 66,67 | 57,53 |
| % of total interviewees | 66,67 | 31,82 | 20,00 | 58,33 | 38,46 | 40,00 | 42,86 |

In total 540 jobs have been created through RADP. These are mainly part-time jobs: 111 full-time and 429 part-time jobs. This represents an increase of 53% with regards the previous employment patterns on these farms. On average, RADP has added 4.51 jobs (1 Full-time and 4 part-time) per project, increasing the number of jobs from 10.40 to 15.91 on average per project (Table 8). Although a positive outcome, it remains low (particular in relation to the amounts of RADP funding spent – see hereafter). Beyond many projects not being fully functional, the type of projects (for ex – several poultry projects) related to the development models often imposed (commercial agriculture related to strategic partnerships) are main reasons for the deficiency in job creation.

Table 8: Employment creation through RADP

| | N full-time employment | N part-time employment | N total | Average full-time employment per project | Average part-time employment per project | Average total employment per project |
|--------------|------------------------|------------------------|---------|--|--|--------------------------------------|
| Before RADP | 565 | 454 | 1019 | 5,77 | 4,63 | 10,40 |
| After RADP | 676 | 883 | 1559 | 6,90 | 9,01 | 15,91 |
| Difference N | 111 | 429 | 540 | +1,13 | +4,38 | +4,51 |
| Difference % | +19,65 | +94,49 | +52,99 | +19,58 | +94,60 | +52,98 |

In addition, RADP has not – or little - created jobs or leveraged development dynamics in the beneficiary communities. The few jobs created as well as procurement practices whereby basic inputs and skills were sourced from companies located outside the local community and even outside the specific province (often related to the network of the strategic partner) did not imply a snowball effect in local communities.

- ***The huge cost of the RADP model***

The average funding disbursed through RADP per project is R3.56 million (i.e. only for the projects that received funding). This is about 37% lower than the total amount requested per project in the framework of RADP. The difference per province is significant: R1.067 million per project on average in the Eastern Cape; R6.21 million per project on average for the Free State. The maximum funds disbursed per project in the framework of RADP are worth noting. They vary from R3 million in Eastern Cape to R33 million in the Free State, averaging to R17 million overall (Table 9).

Table 9: Funds received in the framework of RADP per province

| | Eastern Cape | Free State | Gauteng | KZN | Limpopo | North-West | Total |
|---|--------------|-------------|-------------|-------------|-------------|-------------|--------------|
| N | 3 | 11 | 4 | 15 | 7 | 8 | 48 |
| Average per project in Province | R1 066 666 | R6 209 231 | R1 666 667 | R1 608 529 | R1 383 300 | R1 613 333 | R2 371 042 |
| Average per receiving project in Province | R2 133 333 | R7 338 182 | R3 750 000 | R2 037 471 | R1 976 143 | R3 025 000 | R3 556 563 |
| St. Deviation | R1 379 371 | R9 549 033 | R3 233 806 | R2 087 883 | R1 499 385 | R2 099 274 | R4 722 406 |
| Min | R0 | R0 | R0 | R0 | R0 | R0 | R0 |
| Max | R3 200 000 | R33 200 000 | R10 000 000 | R7 500 000 | R3 600 000 | R7 500 000 | R33 200 000 |
| Sum/Total | R6 400 000 | R80 720 000 | R15 000 000 | R30 562 059 | R13 833 000 | R24 200 000 | R170 715 059 |
| Projects 'RADPed', but not received funds | 3 | 2 | 5 | 4 | 3 | 7 | 24 |
| No answer/not applicable | 3 | 11 | 1 | 5 | 3 | 5 | 26 |

The efficiency of the RADP programme, measured in terms of investment expenditure against results, is thus overall rather low. This is the case when the spending per project – and particular per sustainable project - is considered, but also when assessed per beneficiary and per job created. On average for the six provinces included in the study, R3.56 million is thus spent per project (considering that only 70% of the RADP projects were productive at the time of the evaluation, with a few of these projects being sustainable as yet), R520,000 is spent per beneficiary or R645,000 is spent per job created.

Conclusion

Is South Africa engaged in “right track land reform”? Positive results are surely present, in particular regarding the socio-economic and production aspects; less positive outcomes relate more to empowerment and skills transfer aspects. Strengths and weaknesses can be listed as follows:

Strengths of RADP:

- RADP has a long-term view and the farming model is comprehensive focusing on the development the farm as a whole.
- Farmers are paired with experienced and well qualified industry players, which ensures agricultural activities to take place on the farm.
- RADP provides the necessary infrastructure and equipment for sustainable commercial production. Access to farm inputs ensures that farms are back into production.
- There is transfer of skills even though it has been minimal.
- RADP has improved access to farm inputs through discounted inputs resulting from bulk-buying by strategic partners.
- Immediate impact of projects can be realised through outputs
- Previous land reform processes had more beneficiaries on the farm. RADP has fewer beneficiaries, making land and farm enterprises more viable.
- To a larger extent, RADP has restored/improved the confidence of beneficiaries.
- RADP brings DRDLR closer to the farmers and industry players through the tripartite agreements.

On the other hand, weaknesses of RADP are:

- In terms in the current funding model and lack of clarity of distressed farms, the programme target of 1807 farms by 2014 is not realistic.
- Insufficient budget, particularly per province.
- Insufficient capacity to implement and monitor the programme.
- RADP project cycle not aligned to farming operations.
- Poor strategic partner/mentor-beneficiary relationship.
- Weak market linkages.
- Limited employment generating capacity.
- Limited understanding of RADP.
- Limited skills transfer.
- Strategic interventions not achieving intended objectives of RADP.
- Selection criteria not tight enough to exclude non-deserving participants.
- Strategic partners/mentors allocated too many projects to handle.

- Poor screening of business plans.
- Lack of a clear exit strategy in relation to different farming enterprises
- The grant funding approach has encouraged overcapitalisation and lack of personal commitment
- Poor selection criteria have resulted in the selection and funding of undeserving farmers.
- RADP is implemented in isolation from other government departments (e.g. Agriculture).

Broader reflections remain necessary.

Firstly, a reflection on the outcomes is necessary. What development for which results is and for whom is RADP focusing on? This mid-term evaluation makes such a reflection possible as first outcomes and tendencies become observable. The results seem to show that a certain type of agricultural development, i.e. large-scale commercial farming, based on significant capitalisation, which is often externally led - sometimes by corporate structures – is developing. From the results, it is clear that RADP made progress (although still premature in most of the cases) with regards the establishment of commercial entities. However, because of the transfer of decision making power, the little spin-off developments, the few beneficiaries reached and the low labour creation, it is also clear that RADP broader results remain very limited.

In addition, the State objective of “graduating small farmers into commercial farmers” smacks of some ignorance on the part of the programme design. Most of the farms in question here are independent commercial farming units that used to be farmed as family farms to its fullest commercial potential. These farms are all of substantial sizes and are in any case much larger than any smallholding in the former homeland areas. The challenge is thus not to graduate small scale farmers to commercial farmers but rather to “graduate” the new occupants/owners of the farm to a position where they can farm independently on a commercial viable scale. Providing the necessary financial means and farming as well as management skills are aspects necessary for this graduation process.

Lastly, from a national policy perspective, of great concern is the fact that the RADP programme has basically been introduced to deal with the lack of formal agricultural support to land reform beneficiaries which should have been provided by provincial departments of agriculture. None of these support systems kicked in in a timely fashion at the transfer of land to beneficiaries. As a result RADP is duplicating failed efforts from agriculture departments resulting in an extra drain on the state fiscus which should be a major point of concern for Treasury.

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